



February 25, 2021

Representative Rachel Prusak, Chair
Representative Cedric Hayden, Vice-Chair
Representative Andrea Salinas, Vice-Chair
House Committee on Health Care
900 Court Street NE
Salem, OR 97301

Delivered electronically.

Re: House Bill 2328

Chair Prusak, Vice-Chairs Hayden and Salinas, and Members of the Committee:

The PacificSource companies are independent, not-for-profit health insurance providers based in Oregon. We serve over 500,000 commercial, Medicaid, and Medicare Advantage members in four states. PacificSource Community Solutions is the contracted coordinated care organization (CCO) in Central Oregon, the Columbia River Gorge, Marion & Polk Counties, and Lane County. Our mission is to provide better health, better care, and better value to the people and communities we serve.

Thank you for the opportunity to comment on House Bill 2328, a bill that on its face addresses discrimination in provider access and reimbursement. PacificSource looks forward to more conversations if the concept is to move forward, and we note the following for the record:

- Although the bill sets out a number of practices deemed “discriminatory,” it also appears to interfere with health plan contracting and reimbursement with providers. Our recommendation is that these contracting decisions are more properly left to arms-length negotiations in the market place, not defined by the legislature in statute.
- In section 1(2)(d)(B) of the introduced bill, line 22, the bill deems discriminatory any practice that “effectively” denies reimbursement for a covered service. As the state is moving toward value-based payments and controlling the rate of growth of health care, this section effectively eliminates or restricts many of the value based reimbursement alternatives and network contracting tools an insurer possesses to meet these state requirements. If enacted, this sub-paragraph essentially means there is no way a payer can control costs or assure quality, as it would “effectively” deny reimbursement.
- In sub-paragraph (C), line 25, insurers must “include in the network of the health benefit plan every type of provider licensed or certified in this state to provide health care services that are covered by the health benefit plan.” Oregon has never been an “any willing provider” state, and the Affordable Care Act section on which the Insurance Code

section is based does not require states to contract with anyone willing to abide by the terms and conditions established by the plan.¹ We would respectfully ask for some clarity in what the section intends to accomplish.

Thank you for the opportunity to comment on this proposal. For questions or concerns, please contact me at 503.949.3620 or richard.blackwell@pacificsource.com.

Sincerely,

Richard Blackwell
Director, Oregon Government Relations

¹ ACA § 2706 (codified at 42 USC §300gg-5(a)).